GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:1335
ANSWERED ON:26.11.2002
LOSS MAKING FERTILIZER PLANTS
LAXMAN GILUWA;MANSUKHBHAI D. VASAVA

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether a number of fertilizers plants are incurring losses despite getting financial assistance from the Government;

(b) if so, the reaction of the Government thereto;

(c) whether the Government have conducted any inquiry in this regard, if so, the outcome thereof;

(d) the extent to which the officials are responsible for such losses; and

(e) the action taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS(SHRI TAPAN SIKDAR)

(a) to (e) : The losses incurred by fertilizer sector public undertakings during the year 2001-02 are as given below :

Name of the PSU	Loss (Rs. in crore)
Hindustan Fertilizer Corporation Limited (HFC)	803.28
Fertilizer Corporation of India Limited (FCI)	1068.35
Pyrites, Phosphates & Chemicals Limited (PPCL)	114.20
Projects & Development India Limited (PDIL)	36.66
Madras Fertilizers Limited (MFL)	66.10

Based on techno-economic analysis, Government has already decided toclose down HFC, FCI excluding Jodhpur Mining Organisation and Dehradun and Saladipura units of PPCL.The proposals of rehabilitation of Amjhore unit of PPCLand PDIL are in the process of finalisation. Government has granted financial relief of Rs.65 crore to MFL in July, 2002 by way of waiver of interest on Government loans.